

Office of the Attorney General Paul G. Summers

NEWS RELEASE

FOR IMMEDIATE RELEASE April 26, 2005 #05-09 CONTACT: Sharon Curtis-Flair (615) 741-5860

ATTORNEY GENERAL ANNOUNCES AGREEMENT WITH KNOX COUNTY MAN SUED FOR INTERNET AUCTION ACTIVITIES

A Knoxville man will pay more than \$21,000 in fines and restitution as part of an agreement regarding allegations he did not deliver items people bought from him on an Internet auction site.

Attorney General Paul Summers announced today Michael A. Sharp will pay restitution to 167 consumers totaling \$7,512.86, as well as \$15,000 in fees and civil penalties. As part of the agreement, the amount of civil penalties will increase if he violates the terms of the agreement.

"We want Tennesseans to know this office takes the problem of deceptive practices related to Internet auctions very seriously" General Summers said. "We will aggressively pursue the perpetrators of this type of unfair and deceptive practice."

Sharp allegedly placed items, primarily DVDs, for auction over the Internet, received payment, but failed to deliver the items to winning bidders. This agreement settles a lawsuit alleging violations of the Tennessee Consumer Protection Act.

To avoid becoming a victim of unscrupulous Internet auction activity, General Summers advises consumers to become familiar with the auction website and find out what, if any, buyer protection programs are offered. Not all auction websites are the same. The Attorney General offers the following tips:

- *Before bidding, find out all you can about the seller. Some auction sites will provide a seller's name and contact information upon the buyer's request. Do not send any payment until you are satisfied the seller is legitimate.
- *Consumers should contact the seller with questions about the auction and, if possible, contact other buyers to learn about their experiences with that seller. Internet users should carefully review feedback from or about the seller before participating in an Internet auction.
- *When using an online payment service, it is wise to make sure the website is secure. This ensures the personal and financial information of consumers is encrypted before being sent over the Internet. Look for a display of a locked padlock at the bottom of the Internet browser.

- *Consumers might also want to keep in mind that just because a website is secure and reputable, there are still no guarantees the proposed seller will deliver the product as advertised.
- *Consumers should never give out Social Security numbers, driver's license numbers or credit card or bank account information until they are satisfied that the auction, seller and payment service are legitimate and the consumer knows why the information is needed.
- *Be wary of sellers who request payment be sent to a different location than the one listed on the auction.
- *Consumers should keep accurate records and should print and/or keep all e-mails, auction documents, notes, payment documents and shipping documents.
- *Be cautious about sellers trying to lure you away from the auction website to conduct a transaction because you will lose any auction site protections once you make a purchase outside of the website.

If you are a victim of Internet auction fraud, there are several places you may file a complaint. Call the Tennessee Division of Consumer Affairs at (615) 741-4737 or file a complaint online at www.state.tn.us/consumer/ccp. You should also file a complaint online with the Internet Fraud Complaint Center at www.ifccfbi.gov/index.asp and Consumer Sentinel at www.ifccfbi.gov/index.asp and Consumer Sentinel at www.ifccfbi.gov/index.asp and www.state.tn.us/consumer/ccp. Also, make sure to file a complaint with the auction website and any online payment or escrow service used.